

State of Utah

Department of Natural Resources

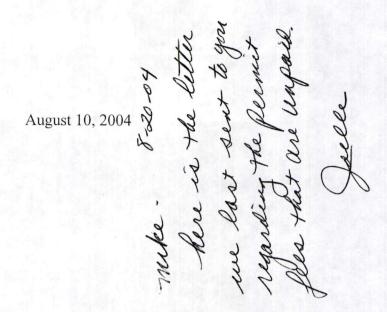
ROBERT L. MORGAN Executive Director

Division of Oil, Gas & Mining

LOWELL P. BRAXTON Division Director OLENE S. WALKER

GAYLE F. McKEACHNIE
Lieutenant Governor

Mike Dettamanti Southwest Stone 421 North 250 East Kanab, Utah 84741



Subject: Second Notice - Delinquent Permit Fees, Further Mining is
Suspended - Enforcement Rules in Effect, Minerals Regulatory
Program

Dear Mr. Dettamanti:

Our records indicate that we have not received your annual permit fee payment(s) for the 2004 fiscal year, which was due on or before July 30, 2004 (see R647-2-101.6, R647-3-1-1.7, and R647-4-101.5). Non-payment of permit fees suspends an operator's authorization to conduct exploration or mining operations until the permit fees have been received by this office. THEREFORE, YOUR AUTHORIZATION TO CONDUCT EXPLORATION OR MINING ACTIVITIES IS HEREBY SUSPENDED, UNTIL THIS BILLING REQUIREMENT IS RESOLVED. Please note that the payment of permit fees is required until the site has been formally released by the division.

You have previously been informed that effective June 1, 2004, Inspection and Enforcement Rules were implemented in the Minerals Regulatory Program, per a 2002 Legislative mandate. Before fully enforcing the rule for non payment of permit fees at this time, the Division will allow you until August 31, 2004 to pay the delinquent permit fees. If the delinquent permit fees are not received before August 31, 2004, the Enforcement Rules will be imposed and you will be issued a Notice of Violation and a fine could be assessed. If you are found mining at your site before the fee is paid, another Notice of Violation would be issued and a fine will be imposed. Please be advised that fines are assessed for each separate violation.

We have enclosed a "Delinquency Notice" along with this letter. Please return the bottom portion with your fee payment to ensure the money is posted to



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the correct account. Operations may resume upon our receipt of the required fees. If you have already sent in your payment, please accept our thanks and disregard this notice.

We hope to avoid taking any enforcement action regarding the fee payments. Please: 1) submit your payment by August 31, 2004; 2) check the box, if the site is fully reclaimed and revegetated; thereby requesting a site inspection; or 3) contact us immediately.

If you have any questions regarding this letter, please contact me at (801) 538-5325 or Joelle Burns at 538-5291. Your <u>immediate</u> attention to this matter is imperative.

Sincerely,

Daron R. Haddock Permit Supervisor

Minerals Regulatory Program

Haddock

DRH:jb

Enclosure: Delinquency Notice

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Olene .S. Walker Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

SOUTHWEST STONE 421 N 250 E KANAB UT 84741

ATTENTION: MIKE DETTAMANTI - D WOOD

Annual Permit Fees (July 2004 thru June 2005)			
PROJECT ID	ACRES	BILLING DATE	
S530051	NA	06/29/2004	
PROJECT STATUS		ANNUAL FEE	
RECLAIMED		\$ 300	
	PROJECT ID S530051 PROJECT STATUS	PROJECT ID ACRES S530051 NA PROJECT STATUS	

DUE DATE	AMOUNT DUE		
07/30/2004	\$ 300		

Please see enclosed instructions for payment.

Please retain this portion for your records. For billing Information call (801) 538-5291

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED SOUTHWEST STONE		PROJECT NAME MILLCREEK 1, 2, & 3			PROJECT ID S530051	
DUE DATE	ANNUAL FEE	AMOUNT DUE	FEE NOT ENCLOSED	Change of Address Contact		
07/30/2004	\$ 300	\$ 300	Permittee requests an inspection to close			
TAX ID OR SOCIAL SECURITY #			out this permit.	Address		
	PERSONAL PROPERTY OF THE PERSON OF THE PERSO	GAS AND MINI		E-mail addre	ess	
1594 WEST NORTH TEMPLE SUITE 1210 PO BOX 145801				State	Zip	
SALT LAKE CITY UT 84114-5801			Phone			